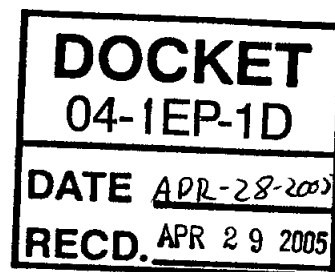


CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



April 28, 2005



Mr. Bernie Orozco, Director
Sempra Energy
San Diego Gas and Electric Company
925 L Street, Suite 650
Sacramento, CA 95814

Dear Mr. Orozco:

Re: Application for Designation of Confidentiality Electricity Resources and Bulk
Transmission Data Submittal; Docket No. 04-IEP-1D

On April 1, 2005, San Diego Gas and Electric Company (SDG&E) filed Electricity Resources and Bulk Transmission Submittal Forms S-1, S-2, S-3, and supplemental tables for use in the Energy Commission's 2005 Energy Report proceeding. As part of that filing, SDG&E is seeking a designation of confidentiality for the following forms and other materials.

SDG&E's application for confidentiality (application) includes:

- Form S-1—Capacity Resource Accounting Tables. These tables should be confidential for the forecast period. They show detailed information regarding SDG&E's monthly dependable capacity needs for the next 10 years. In particular, in combination with Form S-2, they provide the complete picture of SDG&E's procurement needs, dispatch practices and strategies, and proprietary business planning information. SDG&E requests that the forms for which it requests confidential designation herein be kept confidential for the entire forecast period, except as otherwise indicated.
- Form S-2--Energy Balance Resource Accounting Tables. These tables should be confidential for the forecast period. They show detailed information about SDG&E's monthly energy needs for the next 10 years. In combination with Form S-1, they would provide the complete picture of SDG&E's procurement needs, dispatch practices and strategies, and proprietary business planning information. SDG&E requests that the forms for which it requests confidential designation herein be kept confidential for the entire forecast period, except as otherwise indicated.
- Form S-3--Generic Renewable Capacity and Energy Locations. These tables should be confidential for the forecast period. They

show location specific renewable resource information, revealing among other details SDG&E's estimate of future specific resource acquisitions. Although the information is annual, because it is resource type-specific and location-specific, it must be maintained as confidential. The total annual renewable energy and capacity data are made public, however, on public forms S-6 and S-7 that SDG&E is providing herewith. SDG&E requests that the forms for which it requests confidential designation herein be kept confidential for the entire forecast period, except as otherwise indicated.

- **Supplemental Tables.** In these tables, SDG&E shows the annual peak impact of a core/noncore scenario and annual costs of each scenario. The annual peak data should be treated as confidential to protect against general knowledge of SDG&E's requirements during the times of greatest demand. SDG&E's annual and average cost data, if revealed, provide price information that could be used by suppliers to cause higher energy prices. SDG&E requests that the forms for which it requests confidential designation herein be kept confidential for the entire forecast period, except as otherwise indicated.

The California Public Records Act allows for non-disclosure of trade secrets [Gov. Code, § 6254(k), Evid. Code, § 1060]. The California courts have traditionally used the following definition of trade secret:

"A trade secret may consist of any formula, pattern, device or compilation of information which is used in one's business, and which gives him an opportunity to obtain an advantage over competitors who do not know or use it..." [Uribe v. Howie (1971) 19 Cal.App.3d 194, 207-208, 96 Cal. Rptr. 493, 500-501, from the Restatement of Torts, vol. 4, sec. 757, comment b, p. 5.]

SDG&E's application of April 1, 2005, makes a reasonable claim under the Energy Commission's regulation for classifying some of the information contained in your application as confidential, since it could provide your competitors with a competitive advantage if made public [Gov. Code, § 6254(k); Cal. Code Regs., tit. 20, § 2505]. Accordingly, confidentiality will be granted as follows:

- **Form S-1—Capacity Resource Accounting Tables.** Form S-1 is granted confidentiality for each of the scenarios provided for 3 years until the end of 2008. Confidentiality is denied for the entire forecast period because the usefulness of the data diminishes with time and will be out of date.

- Form S-2--Energy Balance Accounting Tables. Form S-2 is granted confidentiality for each of the scenarios provided for 3 years until the end of 2008. Confidentiality is denied for the entire forecast period because the usefulness of the data diminishes with time and will be out of date.
- Form S-3--Generic Renewable Capacity and Energy Locations. This table has been granted confidentiality for 3 years until 2008. Confidentiality is denied for the entire forecast period because the usefulness of the data diminishes with time and will be out of date.
- Supplemental Table A-1—Core/Non-Core Load. Table A-1 only reveals the load reduction from customers over 500 MW using a scenario defined by the Commission's Forms and Instructions. Nothing about SDG&E's own predictions of load reduction from various causes of departing load is revealed. The amount of departing load is not proportional to the annual peak demand forecast that SDG&E previously requested confidentiality and for which SDG&E's dispute of these designation is not yet fully resolved. SDG&E's justification of a trade secret is not sufficient and its request is denied.
- Supplemental Table B-1—2005 IEPR Scenario Costs. Table B-1 cost differentials cannot reveal trade secret information because the level of aggregation of these cost differentials is too coarse to reveal any explanatory factors, and thus are not trade secrets. Such cost differentials would be commonly discussed in a policy determination setting to provide a record to support endorsing one alternative versus another. SDG&E's request is denied.

The procedures and criteria for appealing this decision are set forth in the California Code of Regulations, Title 20, Section 2505. Be advised that an appeal of this decision must be filed within fourteen days from the date of my decision.

If you have any further questions regarding this decision, please contact Thomas Glaviano, Staff Counsel, at (916) 651-8893.

Sincerely,



SCOTT W. MATTHEWS
Acting Executive Director